

Enclosure C

MONTEREY COUNTY IHSS Fraud Investigation and Program Integrity Plan FY 2010-11

Introduction

Monterey County Department of Social and Employment Services (DSES) requests FY 2010-11 funding for fraud investigation activities and program integrity efforts in the IHSS program. The addition of this specialized funding and staffing will greatly enhance the fraud detection/prevention and investigation activities already in place in the IHSS Quality Assurance (QA) Program. The additional fraud investigation funding will allow the creation of a Program Integrity Unit integrated with the existing QA Program to further identify and reduce the occurrence of fraud and overpayments in the IHSS program. Monterey County will use the new Fraud Investigation and Program Integrity allocation to increase staffing that includes 1 FTE IHSS Fraud Social Worker and 1 FTE designated Special Fraud Investigator in the District Attorney's Office.

County's Current and Proposed Anti-Fraud Activities

Current

Monterey County DSES has administered an IHSS QA Program since 2005 pursuant to Welfare and Institutions Code (WIC) 12305.71 staffed by a full time QA Social Worker and part time Management Analyst and part time IHSS Program Manager. Activities performed by the QA staff focus on providing quality IHSS services in the amount and scope necessary to support seniors and persons with disabilities to remain safely at home as well as activities to identify and take action on suspected fraudulent activities of IHSS recipients and providers. Activities performed by the QA Social Worker include: conducting desk reviews of IHSS cases, selected home visits with recipients and providers; conducting quarterly targeted reviews as specified by IHSS Program Manager/QA Supervisor; review of monthly CMIPS Provider Over 300 hours report, Out of State Warrants, and reconcile State issued Death Match reports. The QA staff routinely participate in case conference consultations with IHSS Social Workers, IHSS Supervisors, Program Manager, Public Authority Supervisor, Public Authority Registry Specialist, and IHSS Payroll Supervisor.

IHSS Payroll staff is trained and play a vital role in detecting potential fraud through their review of recipient and provider signatures on timesheets, change of provider notifications, and other information reported to them.

IHSS Fraud Referrals are received from IHSS Social Workers, Payroll staff, recipients, providers and the public and are centralized with the IHSS Program Manager who maintains case referral logs to track the status, progress, and outcomes of our response to

the fraud referral. The IHSS Program Manager determines if the referral is to be assigned to the QA Social Worker for limited investigation of alleged fraud or referred directly to DHCS and maintains liaison with DHCS to ensure collaboration and coordination on fraud referrals. The IHSS Program Manager has established a working relationship with Department of Health Care Services (DHCS) Investigators Chris Petrush and Hobe Beneux to refine follow up and cross reporting protocols.

In instances where follow up investigation of alleged fraud indicates no intentional fraud has occurred, but that an overpayment has been created, notice is sent to the Department's Benefit Recovery Unit to establish a repayment plan with the person (provider or recipient) responsible for the overpayment. The Benefit Recovery Unit provides monthly reports of collection activities to the IHSS Program Manager and works with the County Auditor to process the overpayment receivables to the State.

While Monterey County DSES enjoys a strong working relationship with the District Attorney handling fraud investigations in CalWORKS and Food Stamp benefits, the existing MOU between DSES and DA does not include IHSS fraud cases, which are referred to DHCS for investigation.

Proposed

With the proposed Fraud Investigation and Program Integrity Plan funding, Monterey County proposes to create an IHSS Program Integrity Unit and expand the QA Program by adding 1 FTE Fraud Social Worker and 1 FTE DA Special Fraud Investigator. The newly created IHSS Program Integrity Unit will be integrated in the Adult and Aging Division at the same location with the IHSS program. The Program Integrity Unit will be supervised by the IHSS Program Manager. The DA's Senior Welfare Fraud Investigator will supervise the work of the Special Fraud Investigator. The Program Integrity Unit will work closely with IHSS Managers, IHSS Supervisors, and IHSS Social Workers/Payroll to increase skills in identifying fraud, develop competencies in incorporating fraud prevention into case management practices, and to educating the Special Fraud Investigator on the mechanics of the IHSS program.

The addition of a Special Fraud Investigator working closely with the IHSS Program Integrity staff will support our ability to respond more quickly to fraud referrals by qualified personnel and to coordinate efforts resulting in comprehensive investigations of alleged IHSS fraud leading to successful prosecutions. Specific duties of the Special Fraud Investigator will include: investigating suspected fraud by tracing and locating a variety of parties to insure and verify information; review and evaluate evidence in each suspected fraud referral to ascertain if a violation of the law has occurred; recommend appropriate action to the Deputy District Attorney; prepare detailed reports of the actions taken and findings of an investigation; and coordinate investigation efforts with the District Attorney, California Department of Social Services, California Department of Health Care Services and other partner agencies. Only cases with dollar amounts that rise to the level of a felony will be considered for prosecution by the DA. All others will be handled by the Program Integrity Unit staff.

Although Section 12305.82 of the Welfare & Institutions Code restricts county investigations to overpayments of \$500 or less, the Special Fraud Investigator will be available to assist DHCS Investigators in cases involving more than \$500.

The Program Integrity Unit will increase activities designed to educate and prevent fraud by providers and recipients that include; more frequent joint unannounced home visits to recipients by the Special Fraud Investigator and Program Integrity Social Worker; expanded presentations in the new IHSS Provider Enrollment/Orientation sessions; time sheet training for providers; review of Department of Justice criminal background check results, case conferences with IHSS unit members; specialized training for the IHSS Payroll staff; and informational forums with the Senior Network of Providers convened by the Area Agency on Aging. Additionally, since there may be an element of elder abuse associated with IHSS fraud, the Program Integrity Social Worker and Special Fraud Investigator would participate in the established Adult Abuse Multi-Disciplinary Team (MDT) which already involves a Deputy District Attorney; APS and IHSS social workers, and ancillary colleagues convening to prevent, identify and coordinate prosecution of elder abuse.

There will be regularly scheduled monthly meeting with the IHSS Program Integrity Unit and IHSS staff to conduct training on new initiatives and procedures for detecting and reporting potential fraudulent activities. This funding will also support the expansion of a more comprehensive tracking system using Excel spread sheets and reports concerning Program Integrity Unit's case activities. A monthly statistical report will be provided to the Adult and Aging Branch Director and the DSES Director for review.

Upon notification of funding, Monterey County DSES and District Attorney will activate personnel recruitment and selection activities in order to commence Program Integrity activities as early as feasible.

County Proposed Budget for Utilization of Funds

FY 2010-11 Budget Items

Personnel	\$201,895
Operating Expenses	\$7,608
Equipment Expenses	\$34,150
Other Costs	\$15,000
Indirect Expenses	\$7,500
Total Expenses	\$269,753

Collaboration and Partnerships with District Attorney's Office (DOA)

Monterey County has an existing MOU with the District Attorney's Office for the investigation of CalWORKS and Food Stamp alleged fraud. This additional funding

would support an expansion of that MOU to include designated investigations of IHSS alleged fraud and assistance to IHSS staff in case preparation for court proceedings.

IHSS Overpayments/Underpayments

DSES has a well established protocol concerning the collection of IHSS overpayments. QA and Payroll staff works closely to identify when an overpayment has occurred and then notify the Department's Benefit Recovery Unit. The Benefits Recovery Unit processes all notices to the responsible party (provider or recipient) and establishes a repayment plan with the individual. At present, there is limited ability for DSES to institute collection activities for those individuals who do not voluntarily repay their overpayments. Collection of overpayments on fraud referrals sent to DHCS often is directed by DHCS back to the DSES Benefits Recovery Unit for continued collection attempts. The increased funding for fraud investigation and program integrity efforts will allow DSES to develop stronger methods to track and collect overpayments. Monterey County DSES estimates that the incidence of overpayments will decline as the fraud prevention, fraud investigation and program integrity efforts are enhanced.

Collaboration and Partnerships with California Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS)

Monterey County DSES IHSS instituted direct reporting of suspected fraud by IHSS providers or recipients to DHCS for further investigation and has worked in a collaborative manner with the assigned DHCS investigators. DSES anticipates increased collaboration with DHCS as that department receives increased funding for IHSS fraud investigations. DSES will continue to collaborate with CDSS on error rate studies and other data match reports as they are developed by CDSS.

Referrals sent to DHCS are tracked by the IHSS Program Manager using an Excel spreadsheet tracking tool that collects the following data:

- Referral/discovery date – Date the incident was discovered
- Date referral sent – Date the referral was sent to Investigative Agency
- Agency name – DOJ or DHCS or DA Investigator
- Recipient Name
- Provider Name
- Person referred – person who committed the alleged fraud
- Social Worker –IHSS client's social worker name
- Allegation
- Fraud Amount
- Status – open, closed, collections, referral to be sent
- Reason for disposition
- Date resolved
- Comments

Increased fraud investigation funding will allow for the creation of a more complex tracking system for internal and external controls.

Mechanism for Tracking/Reporting

Monterey County commits to developing and maintaining a robust method of data and outcome tracking and reporting as a result of additional anti fraud initiative funding. Tracking and reporting on prosecution activities conducted by the DA will be tracked separately to reflect that no anti-fraud initiative funds have been spent for prosecution activities. A comprehensive fiscal year plan will be submitted June 1st each year that will include updates as well as an agreement to continue tracking, reporting and submitting final data by August 1 for each fiscal year.

County's Proposed Budget for Utilization of Funds

See Attachment C for Proposed Budget

Annual Outcomes Report

Monterey County DSES will provide an annual outcomes report to CDSS by August 1st of each year to the extent funding is available to Monterey County.